



**COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR**

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500 WEST TEMPLE STREET, ROOM 432
LOS ANGELES, CA 90012
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MARK J. SALADINO
TREASURER AND TAX COLLECTOR

May 8, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**RESOLUTION OF CONSIDERATION TO CHANGE THE
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX AND
TO REDUCE AUTHORIZED BONDED INDEBTEDNESS FOR
COMMUNITY FACILITIES DISTRICT NUMBER 3 IMPROVEMENT AREA C
(VALENCIA/NEWHALL AREA)
(FIFTH DISTRICT) (3-VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD, ACTING AS THE LEGISLATIVE BODY
OF COMMUNITY FACILITIES DISTRICT NUMBER 3:**

1. Adopt a Resolution of the Board of Supervisors of the County of Los Angeles acting as the Legislative Body of Community Facilities District Number 3, declaring its intention to change the Rate and Method of Apportionment of Special Tax for Improvement Area C of Community Facilities District Number 3 and reduce the amount of authorized bonded indebtedness from \$15,000,000 to \$9,000,000.
2. Set the time and place for a public hearing.
3. Publish and mail notice of public hearing. And,

AFTER THE PUBLIC HEARING, IT IS RECOMMENDED THAT YOUR BOARD:

- a. Determine, in reliance upon the information and representations provided at or before the public hearing, to reduce the amount of authorized bonded indebtedness from \$15,000,000 to \$9,000,000 and to replace the existing rate and method of apportionment of special tax to be levied.

- b. Submit the proposition of reducing the amount of authorized bonded indebtedness and the change in the rate and method of apportionment of special tax to the qualified electors of the district.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Stevenson Ranch Venture, LLC, the landowner of all of the property in Community Facilities District Number 3, Improvement Area C, has petitioned the Board to amend the rate and method of apportionment of special taxes. The amendment would reduce the maximum special taxes to rates equal to or less than the rates for single-family residences in the adjacent Improvement Area B and reduce the maximum special taxes on apartments to facilitate development of affordable housing. In consideration of the reduced special tax rates, the landowner has also agreed to a reduction in the amount of authorized bonded indebtedness from \$15,000,000 to \$9,000,000.

The resolution forming Community Facilities District (CFD) Number 3 (Valencia/Newhall Area) was adopted by your Board on June 8, 1989. Bonds were issued in 1989 for Improvement Area A and are in good standing. For Improvement Area B, bonds were issued in 1989, 1995, 2000 and 2001; all are in good standing. Development of Improvement Areas A and B is substantially complete and there will be no further bonds issued for these improvement areas.

In November 2000, the landowner requested a revision to the tentative tract map for Improvement Area C to reduce density from 936 to 833 residential units, increase the number of detached single-family residences, and add a school site, a park site, and other enhancements to the plan. Subsequent to approval by the Regional Planning Commission of the revised tract map in February 2001, the landowner has requested that the rate and method of apportionment of special tax (RMA) be revised to conform to rates established for Improvement Area B, including reducing the special tax rates for apartments to facilitate development of affordable housing in Area C. It was further requested that there be a corresponding reduction in the authorized bonded indebtedness to correspond with the adjusted maximum tax rates prescribed in the RMA.

Implementation of Strategic Plan Goals

This action supports the County's Strategic Plan Goal of Organizational Effectiveness through collaborative actions among County departments and other governmental jurisdictions. In addition, it supports the Strategic Plan Goal of Fiscal Responsibility by utilizing public-private partnerships for the investment in and development of regional benefit public infrastructure in the County.

FISCAL IMPACT/FINANCING

There is no fiscal impact on, or financing required of the General Fund.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Government Code Section 53332 requires that the legislative body adopt a resolution of consideration within 40 days following the receipt of a petition, signed by owners of 25 percent or more of the territory within the district, that requests proceedings be commenced to change the rate or method of apportionment of an existing special tax.

Government Code Section 53334(e) requires that a public hearing be held not less than 30 or more than 60 days after the adoption of the resolution of consideration by the local governing body.

Notice of public hearing in the form required by Government Code Sections 53335 and 53322(a) is to be published in a newspaper of general circulation in the area of the district at least seven days prior to the date of the hearing.

Mailing of the notice of public hearing at least 15 days before the hearing to each registered voter and landowner within Improvement Area C is provided for in Government Code Sections 53335 and 53322.4.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

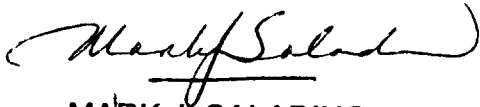
Not Applicable

The Honorable Board of Supervisors
May 8, 2002
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CONCLUSION

Upon Board action, please forward two copies each of the adopted letter, certified copies of the minute order and resolution and the notice of public hearing to the Department.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark J. Saladino", with a horizontal line drawn underneath the name.

MARK J. SALADINO
Treasurer and Tax Collector

MJS:DL:GB:CH
Z:Board:valencianewhall c

Attachments (2)

c: Executive Officer, Board of Supervisors
 Chief Administrative Officer
 Auditor-Controller
 County Counsel

**COMMUNITY FACILITIES DISTRICT NO. 3
(VALENCIA/NEWHALL AREA)
OF THE COUNTY OF LOS ANGELES**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY
OF LOS ANGELES ACTING AS THE LEGISLATIVE BODY OF
COMMUNITY FACILITIES DISTRICT NO. 3 (VALENCIA/NEWHALL
AREA) DECLARING ITS INTENTION TO CHANGE THE RATE AND
METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
IMPROVEMENT AREA C**

WHEREAS, the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles (the "County") has established Community Facilities District No. 3 (Valencia/Newhall Area) (the "Community Facilities District") under and pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982" (the "Act"), being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California;

WHEREAS, the Board of Supervisors has been advised that the owner of all property within Improvement Area C has requested that the currently authorized Rate and Method of Apportionment of Special Tax (the "Current Rate and Method of Apportionment") be changed, and that the bonded indebtedness authorized to be incurred to finance Improvement Area C Facilities be reduced;

WHEREAS, the Board of Supervisors has received a Petition (including Consent and Waiver) from the property owner regarding the proceedings relating to Improvement Area C; and

WHEREAS, the Board of Supervisors has determined to institute proceedings as described herein and has determined to set a date, time and place for a public hearing relating thereto;

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AS FOLLOWS:

Section 1. All of the above recitals are true and correct.

Section 2. The Petition (including Consent and Waiver) of the landowner within Improvement Area C is hereby accepted and the Board of Supervisors hereby determines that the public convenience and necessity require proceedings be undertaken to authorize the change in the Current Rate and Method of Apportionment as described in Section 6 hereof.

Section 3. The boundaries of the territory included in the Community Facilities District, including the boundaries of the separate improvement areas comprising all of such territory are more particularly described and shown on that certain map of the District recorded on May 2, 1989 in Book 159 at Page 31 in the Book of Maps of Assessment and Community Facilities Districts in the office of the Registrar-Recorder/County Clerk (the "County Clerk") of the County of Los Angeles, California, a copy of which is on file with the County Clerk and incorporated herein and made a part hereof.

Section 4. The Board of Supervisors has previously adopted its resolution adopting local goals and policies regarding the Community Facilities District as required by Government Code Section 53312.7.

Section 5. The Board of Supervisors has previously ordered the acquisition, construction and installation in and for Improvement Area C of the Community Facilities District of certain public facilities (the "Facilities"), including any capacity or connection fees representing such public facilities, with an estimated useful life of five (5) years or longer, which are public facilities that the County or a public agency is authorized by law to construct, own or operate.

Section 6. The Current Rate and Method of Apportionment is proposed to be changed are set forth in the Amended and Restated Rate and Method of Apportionment of Special Tax (the "Amended Rate and Method of Apportionment") as provided in Exhibit A, attached hereto and incorporated herein and made a part hereof. Exhibit A provides sufficient detail to allow the landowner or resident within Improvement Area C to estimate the maximum amount that such person will have to pay for the Facilities as authorized therein. In conjunction therewith, the maximum authorized amount of bonded indebtedness that may be incurred to finance Improvement Area C Facilities shall be reduced from \$15.0 million to \$9.0 million, but not more than an amount that is in compliance with County policies for land-secured financing.

The special tax described in Exhibit A shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for *ad valorem* taxes as such procedure may be modified by law or by the Board of Supervisors from time to time.

The special tax as apportioned to the parcels pursuant to Exhibit A is apportioned on the basis of benefit or other reasonable basis as permitted by Section 53325.3 of the Code and the apportionment of the special tax is not on or based upon the value or ownership of real property. In the event that property within Improvement Area C in the Community Facilities District is acquired or dedicated to a public agency subsequent to the date of authorization of the foregoing special tax, it may become exempt and no longer subject to the special tax, pursuant to the provisions of the Amended Rate and Method of Apportionment attached hereto as Exhibit A.

The maximum special tax to a parcel to be used for private residential purposes, as set forth in Exhibit A, is specified as a dollar amount which shall be calculated and established not later than the date on which the parcel is first subject to tax because of its use for private residential purposes. The tax year after which no further special tax shall be levied to pay for public facilities pursuant to Exhibit A against any parcel used for private residential purposes is Fiscal Year 2041-2042. Under no circumstances will the special tax to be levied against any parcel subject to the foregoing sentence be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within the Community Facilities District by more than the maximum tax calculated pursuant to the Amended Rate and Method of Apportionment for the Community Facilities District. As provided in Section 53321(d)(3), under no circumstances will the special tax levied against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within the Community Facilities District by more than 10 percent. As specified by the Act, for purposes of this paragraph, a parcel shall be considered "used for private residential

purposes” not later than the date on which an occupancy permit for private residential use is issued.

Section 7. It is the intention of the Board of Supervisors, pursuant to Section 53317.3 of the Code, to levy the proposed special tax on property that is not otherwise exempt from the proposed special tax and that is acquired by a public entity through a negotiated transaction, or by gift or devise.

Section 8. It is the intention of the Board of Supervisors, pursuant to Section 53317.5 of the Code, to treat any special tax levied against property that is acquired by a public entity through eminent domain proceedings as if it were a special annual assessment pursuant to Section 1265.250 of the Code of Civil Procedure of the State of California.

Section 9. It is the intention of the Board of Supervisors, pursuant to Section 53340.1 of the Code, to levy the proposed special tax on the leasehold or possessory interests in property owned by a public agency, which property is otherwise exempt from the special tax.

Section 10. There shall be no alteration in the special tax methodology applied within other Improvement Areas within the Community Facilities District as a result of the proposed change in the Amended Rate and Method of Apportionment described herein. Section 53332 of the Code provides that an existing special tax being used to pay off any debt incurred in order to build or acquire capital facilities shall not be reduced or terminated if doing so would interfere with the timely retirement of that debt. The Board of Supervisors hereby finds and determines that the proposed changes in the Current Rate and Method of Apportionment will not interfere with the timely retirement of the outstanding bonds of the Community Facilities District.

Section 11. Notice is given that on the 25th day of June, 2002, at the hour of 9:30 o'clock a.m., or as soon thereafter as the matter may be heard, at the Hearing Room of the Board of Supervisors, Room 381, Hall of Administration, 500 West Temple Street (corner of Temple Street and Grand Avenue), Los Angeles, California 90012, a public hearing will be held at which the Board of Supervisors shall consider the Amended Rate and Method of Apportionment and all other matters as set forth in this Resolution. At the above-mentioned time and place for such public hearing, any persons interested, including all taxpayers, property owners and registered voters within Improvement Area C, may appear and be heard, and the testimony of all interested persons or taxpayers for or against the approval of the Amended Rate and Method of Apportionment or on any other matters set forth herein, will be heard and considered.

Any protests may be made orally or in writing, except that any protests pertaining to the regularity or sufficiency of such proceedings shall be in writing and shall clearly set forth the irregularities and defects to which the objection is made. All written protests shall be filed with the County Clerk on or before the time fixed for such public hearing, and any written protest may be withdrawn in writing at any time before the conclusion of such public hearing.

If 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within Improvement Area C, or the owners of one-half or more of the area of the land in the territory included in Improvement Area C and not exempt from the special tax file

written protests against the Amended Rate and Method of Apportionment within Improvement Area C, those changes shall be eliminated from the Resolution of Consideration and the changes shall not be included in a Resolution of Consideration for a period of one year from the date of the decision of the Board of Supervisors on the hearing.

Section 12. If, following the public hearing described herein, the Board of Supervisors determines to change the Current Rate and Method of Apportionment, the Board of Supervisors shall then submit the Amended Rate and Method of Apportionment to the qualified electors within the boundaries of Improvement Area C. If at least twelve (12) persons, who need not necessarily be the same twelve (12) persons, have been registered to vote within the boundaries of Improvement Area C, for the ninety (90) days preceding the close of the public hearing, the vote shall be by registered voters of Improvement Area C with each registered voter having one (1) vote. Otherwise, the vote shall be a mailed ballot election, consistent with Section 53327.5 of the Code, by the landowners of Improvement Area C who are the owners of record at the close of the public hearing, with the landowner having one (1) vote for each acre or portion of an acre of land owned within Improvement Area C. The number of votes to be voted by a particular landowner shall be specified on the ballot provided to that landowner.

Section 13. Notice of the time and place of the public hearing shall be given by the County Clerk in the following manner: A Notice of Public Hearing in the form required by Section 53335 of the Act shall be published in *Newhall Signal and Saugus Enterprise*, a newspaper of general circulation published in the area of Improvement Area C, which such publication shall be made pursuant to Section 6061 of the Government Code, and shall be completed at least seven (7) days prior to the date set for such public hearing; further, a Notice of Public Hearing in the form referenced in Section 53335 of the Code shall be sent by first-class mail, postage prepaid, to each registered voter and to each landowner within Improvement Area C, as shown on the last equalized assessment roll or other records of the County. Said mailing shall be completed not less than fifteen (15) days prior to the date of such public hearing.

Section 14. The officers of the County and their authorized representatives, are, and each of them acting alone is, hereby authorized to execute any and all documents and agreements and do and perform any and all acts and things, from time to time, consistent with this Resolution and necessary or appropriate to carry the same into effect and to carry out its purpose.

Section 15. This Resolution shall take effect immediately upon its adoption.

The foregoing Resolution was on the ____ day of _____, 2002, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

VIOLET VARONA-LUKENS,
EXECUTIVE OFFICER-CLERK OF
THE BOARD OF SUPERVISORS OF
THE COUNTY OF LOS ANGELES

By _____
Deputy

Approved as to form:

LLOYD W. PELLMAN
COUNTY COUNSEL

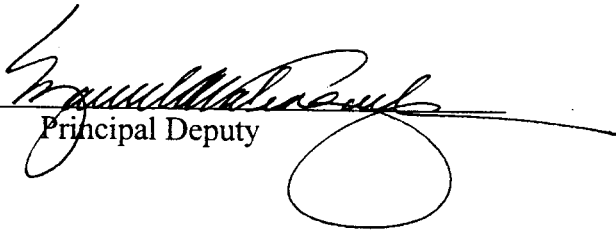
By 
Principal Deputy

EXHIBIT A

**AMENDED AND RESTATED
RATE AND METHOD OF APPORTIONMENT
OF SPECIAL TAX FOR IMPROVEMENT AREA C**

AMENDED AND RESTATED

Rate and Method of Apportionment of Special Tax For County of Los Angeles Community Facilities District No. 3

Improvement Area C

A special tax (the "Special Tax") applicable to each Assessor's parcel in Improvement Area C of Community Facilities District No. 3 ("CFD No. 3-C") shall be annually levied and collected according to the tax liability determined by the Board of Supervisors of the County of Los Angeles (the "Board") acting in its capacity as the legislative body of CFD No. 3-C through the application of the appropriate amount or rate for Taxable Property, as defined below. All of the property in CFD No. 3-C, unless exempted by law or by the provisions of Section IV below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

I. Category of Land Use Class.

On July 1 of each Fiscal Year, all Taxable Property within CFD No. 3-C shall be categorized either as Developed Property, Undeveloped Property, or Other Taxable Property and shall be subject to the Special Tax in accordance with the rates and the method of apportionment determined pursuant to Sections II and III below. Taxable Property is defined as all property located within the boundaries of CFD No. 3-C which is not exempt from the Special Tax pursuant to Section IV below. Fiscal Year means the period starting on July 1 and ending the following June 30.

Developed Property is defined as all Taxable Property in CFD No. 3-C for which a building permit has been issued as of May 1 of the preceding Fiscal Year; provided, however, that Developed Property shall not include Other Taxable Property. Developed Property that has been subdivided but for which such subdivision is not reflected on the Assessor's secured tax roll shall be treated as subdivided for purposes of the Special Tax (i.e., each lot of Taxable Property created by such subdivision shall be separately classified as Developed Property, Undeveloped Property, or Other Taxable Property.) Undeveloped Property is defined as all Taxable Property other than Developed Property and Other Taxable Property.

II. Maximum Special Tax Rates.

Maximum Special Tax means the maximum Special Tax, determined in accordance with this section that can be levied by the Board in any Fiscal Year on any Assessor's Parcel.

A. Developed Property.

For purposes of determining the applicable Maximum Special Tax, Developed Property shall be assigned to the Classes in Table A below based upon (i) the land use type (i.e. Single Family Detached, Single Family Attached, Apartments, or Commercial/Industrial) and (ii) in the case of Single Family Detached homes, the square footage of the dwelling unit to be constructed as set forth in the original building permit issued for such home, including options constructed by the builder. Square footage of the dwelling unit means the internal living space of each unit, exclusive of garages or other structures not used as living spaces.

Single Family Detached means any detached residential unit, including detached condominiums. Single Family Attached means any residential unit attached to one or more residential units, excluding Apartments. Apartment means a residential unit located in a building or buildings comprised of residential units available for rental, but not purchase, by the general public and under common management. Single Family Detached, Single Family Attached, and Apartment include all residential units for which a building permit has been issued (whether or not construction of the residential unit has been completed.) Commercial/Industrial property means all Developed Property not classified as Single Family Detached, Single Family Attached, or Apartments.

The Maximum Special Tax for an Assessor's parcel within CFD No. 3-C classified as Developed Property shall be the greater of the following:

- i) The applicable Maximum Annual Tax Rate listed in Table A, or
- ii) The Base Maximum Special Tax.

The amount of the Base Maximum Special Tax is \$0.3526 per Usable Square Foot of an Assessor's parcel. The term Usable Square Foot(age) is defined as follows:

- a) For Single Family Detached, the pad size of each Assessor's parcel, as depicted in the most recent tentative tract map on file with the County of Los Angeles Department of Regional Planning. If the final map is not in substantial conformance with

the tentative map with respect to number and configuration of lots, Usable Square Footage shall be based on the pad size area shown on the most recently approved grading plan prior to recordation of the final subdivision map.

- b) For Single Family Attached and Apartment, the total land area of the lot on which such unit is located as shown on the Assessor's parcel map of the Assessor of the County of Los Angeles. The Base Maximum Special Tax for each unit of Single Family Attached and Apartment shall be computed by dividing the aggregate Base Maximum Special Tax attributable to the lot on which such units are or are to be constructed (pursuant to the building permits issued for such units) by the number of units.

The Base Maximum Special Tax shall not apply to Developed Property classified as Commercial/Industrial.

Notwithstanding the preceding, for Developed Property in Classes 4 and 5, a portion of the acreage in each final subdivision shall be taxed as Undeveloped Property if building permits for all of the units shown in the applicable approved tentative tract map were not issued as of May 1 of the previous Fiscal Year. The acreage in to be taxed as Undeveloped Property shall equal the proportion of the units shown in the tentative tract map for a given lot for which building permits had not been issued by the previous May 1, multiplied by the total acreage for the lot on which such units are to be constructed.

TABLE A

Class	Land Use Type	Maximum Annual Tax Rate*
1	Single Family Detached (Greater than 2,699 sq. ft.)	\$2,562 per unit
2	Single Family Detached (2,400 – 2,699 sq. ft.)	\$2,268 per unit
3	Single Family Detached (Less than 2,400 sq. ft.)	\$2,117 per unit
4	Single Family Attached	\$1,289 per unit
5	Apartment	\$550 per unit
6	Commercial/Industrial	\$15,360 per acre

- * The Base Maximum Special Tax may exceed these levels. The Base Maximum Special Tax will exceed these levels if the Usable Square Footage is greater than 7,266 in Class 1, greater than 6,432 in Class 2, and greater than 6,003 in Class 3.

The Base Maximum Special Tax would also apply to Classes 4 and 5 if densities are less than 12 units per acre for Class 4 and 28 units per acre for Class 5.

B. Undeveloped Property and Other Taxable Property.

The Maximum Special Tax for Undeveloped Property and Other Taxable Property in CFD No. 3-C shall be \$20,315 per acre.

III. Method of Apportionment of Special Tax.

Each Fiscal Year, the Board shall determine the amounts of Special Taxes to be collected from Taxable Property in CFD No. 3-C. Such amounts shall include all sums necessary to pay for the construction or acquisition of public facilities to be provided for CFD No. 3-C, to pay debt service on indebtedness of CFD No. 3-C, to create or replenish reserve funds determined necessary by CFD No. 3-C for existing or future bonded indebtedness, to account for any reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year or otherwise reasonably expected, and to pay administrative expenses of CFD No. 3-C (together the "CFD No. 3-C Obligations".) The Board shall levy the Special Taxes, as follows, until the amount of the levy equals the amount necessary to fund CFD No. 3-C Obligations:

First: The Special Taxes shall be levied on the Developed Property within CFD No. 3-C up to 87% of the Maximum Annual Tax Rates listed in Table A.

Second: If additional revenue is required to fund the CFD No. 3-C Obligations after the first step is completed, then the Special Tax shall be levied up to 100% of the applicable Maximum Special Tax on each acre, or portion thereof, of Undeveloped Property in CFD No. 3-C.

Third: If additional revenue is needed to fund CFD No. 3-C Obligations after the first two steps are completed, then the levy of the Special Tax on Developed Property shall be increased in equal percentages for each Class listed in Table A, up to 100% of the Maximum Annual Tax Rates listed in Table A.

Fourth: If additional revenue is needed to fund CFD No. 3-C Obligations after the first three steps are completed, then the Special Tax shall be levied proportionately on each Assessor's parcel of Developed Property for which the Base Maximum Special Tax is

greater than the Maximum Annual Tax Rate specified in Table A, in an amount no greater than the difference between the Base Maximum Special Tax and the Maximum Annual Tax Rate for such parcel as shown in Table A.

Fifth: If additional revenue is needed to fund CFD No. 3-C Obligations after the first four steps have been completed, then the Special Tax shall be levied proportionately up to 100% of the applicable Maximum Special Tax, or portion thereof, on each acre of Other Taxable Property.

IV. Exemptions.

The Board shall not impose any Special Tax on up to 38.98 acres of property owned by, conveyed to, or irrevocably offered for dedication to a public agency; property owned by a public utility; and property owned by a homeowner's association on which no residential units are or will be constructed. Any such ownership, conveyance, or irrevocable offer must be established as of the May 1 of the preceding Fiscal Year. Notwithstanding, no Single Family Detached, Single Family Attached, or Apartment property shall be exempt from the Special Tax. Furthermore, if a public agency owns any property and then proceeds to grant a leasehold or other possessory interest which is subject to the Special Tax pursuant to Section 53340.1 of the Mello-Roos Community Facilities Act of 1982, as amended, of the Government Code of the State of California (the "Act"), the Special Tax shall, notwithstanding Section 53340 of the Act, be levied on the leasehold or possessory interest and shall be payable by the holder of the leasehold or possessory interest. Property exempt from the Special Tax is as follows:

- 8.42 acres for a public school site,
- 5.02 acres for a public park,
- 0.48 acres of property restricted in use as open space and owned by a public agency,
- 22.28 acres of property restricted in use as a detention basin and/or flood control channel and owned by a public agency, and
- 2.78 acres of additional property owned by, conveyed to, or irrevocably offered for dedication to a public agency; property owned by a public utility; or property owned by a homeowner's association on which no residential units are or will be constructed.

If the total number of acres of property owned by, conveyed to, or irrevocably offered for dedication to a public agency; property owned by a public utility; and property owned by a homeowner's association on which no residential units are or will be constructed exceeds 38.98 acres, then the acres exceeding such total shall be classified as Other Taxable Property and shall be taxed as set forth in Sections II and III above.

V. Term of Special Tax.

The Special Tax shall be levied as necessary, but in no circumstances shall it be levied more than four years after the final maturity of the bonds.

VI. Appeals.

Any land owner or resident who feels that the amount of the Special Tax is in error may file a notice with CFD No. 3-C appealing the levy of the Special Tax. A representative of CFD No. 3-C will then review the appeal and, if necessary, meet with the applicant. If the findings of the CFD No. 3-C representative verify that the amount of the Special Tax should be modified or changed, then, as appropriate, the Special Tax levy shall be corrected.

VII. Interpretation of Rate and Method of Apportionment.

Interpretations may be made by the Board by resolution for purposes of clarifying any vagueness or ambiguity as it relates to any category, tax rate, method of apportionment or definition applicable to this Rate and Method of Apportionment of Special Tax.

VIII. Manner of Collection.

The Special Taxes for CFD No. 3-C will be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 3-C may collect Special Taxes at a different time or in a different manner if necessary to meet the CFD No. 3-C Obligations.